



City of Saint Paul

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**SAINT PAUL LONG-RANGE CAPITAL IMPROVEMENT BUDGET
COMMITTEE MEETING**

Monday, September 12, 2011 at 3:30 p.m.

Central Library Fourth Floor Conference Room

Members Present: Monica Bryand, Jacob Dorer, Diane Gerth, Becca Hine, Deb Jessen, Melanie McMahon, Mark Miazga, Gene Olson, Dave Pinto, Paul Sawyer, Darren Tobolt, Gary Unger, D'Ann Urbaniak Lesch, Avi Vishwanathan

Members Excused: Pat Sellner, Michael Steward

Members Absent: Jason Barnett, Eric Mitchell

Visitors and City Staff Present: Monica Beeman (Public Works), Paul Kurtz (Public Works), Anton Jerve (PED), Bob Geurs (OFS), John McCarthy (OFS), Betsy Hammer (OFS)

1. Convene

Meeting convened at 3:33PM

2. Approval of Agenda

Ms. Gerth moved approval of the agenda; Mr. Olson seconded. Committee voted all in favor.

3. Approval of July 11, 2011 Meeting Minutes

Mr. Olson moved approval; Mr. Dorer seconded. Committee voted all in favor.

4. Chair's Comments

Ms. Urbaniak Lesch thanked Committee members who organized the August task force party, and reminded members to reimburse Ms. Hine.

5. Action Items

Public Works – Monica Beeman

Office of Financial Services – Bob Geurs

Parking Meter Replacement proposal for the 2012 CIB budget.

Mr. McCarthy introduced the topic, and explained that replacing parking meters has been a conversation for a long time. Mayor Coleman proposed to include it in this year's budget, and as staff put information together, realized it made more sense to include parking meters in the capital budget rather than operating. Mr. McCarthy clarified that the parking meters are not funded with CIB bonds, but anything in the capital improvement budget needs to be heard by the CIB Committee, and the Committee can then do a simple "thumbs up/thumbs down" vote on the topic.

Ms. Beeman of Public Works provided more detail on the parking meters. She noted that most people who've tried to park in downtown and use meters have had good and bad experiences. She said the current meters were purchased in 1990, and they do fail after a while. She explained that Public Works has been looking into replacement for some time. She said Public Works worked with Minneapolis as they did a big study, selection and testing process, and then came up with a short list of meter types.

Ms. Beeman explained the concept of "smart meters" that have an internet connection to do web-based check of meters and can help with parking management. The Cale multispace meters are the ones selected by Public Works – Ms. Beeman noted that Minneapolis has these installed. She said that Public Works tried a single-space smart meter, but had some concerns after testing. Also, a stakeholder group that included groups like the Saint Paul Area Chamber of Commerce, BOMA, downtown district council, and others liked the Cale better as a group. Ms. Beeman noted that the meters are very expensive, so Public Works picked areas where they could get the best return on investment, including the RiverCentre area, Lowertown, and the area near St. Joseph's. Ms. Beeman explained that for less active areas, Public Works will install a "dumb meter" – one that does not have a web connection. Finally, Ms. Beeman said that stakeholders also asked for more clarity with signs and to reconsider some spaces.

Mr. Geurs of OFS noted that there will be additional smart meter zones by the Capitol, and along University Ave. Mr. Geurs introduced himself as the city's debt manager. He passed out a financing plan for the meters, and noted that no CIB bond proceeds are used. The financing plan includes a \$1.5 million loan from the parking and transit fund (managed by PED), and new revenues from better collections will repay the loan with about \$30,000 in interest. Mr. Geurs said that the project will begin in 2012, and will take about 6 months to get them set up. The new meters will include 148 smart meters and 706 "less smart" meters, down from 1,894 meters currently. Hours will be extended by half hour in downtown, and fares will be increased by \$0.25 an hour. Mr. Geurs explained that the loan will be paid back over 5 years, and the plan is supported by the Mayor, PED, and Public Works.

Ms. Hine asked for clarification on signage and stall numbers, and the difference between smart and dumb meters. Ms. Beeman explained that dumb meters will not take credit cards, and the city is planning to phase out smartcards. She explained that there is a sign along each space, so parkers remember the number and walk to the machine to pay. She noted that this means poles at each space will stay, so the multispace meters won't get rid of all the clutter. Pay stations will be spaced about every half block.

Mr. Tobolt asked about current meters taking smart cards. Ms. Beeman explained that transaction fees for credit cards are the biggest difference.

Mr. Tobolt asked about the option of doing event parking, like charging during evenings when there is a Wild game at the Excel Center. Mr. Geurs said that is a possibility over time, but the current plan is just to extend the time by half an hour. He said there are lots of opinions on how to proceed. Ms. Beeman noted that the smart meters can help collect data to make these choices in the future.

Ms. Gerth brought up the experience that Chicago had when they shifted to smart meters. She noted that their experience included huge increase in parking rates and privatization, so it's not a perfect comparison. She said that if one machine goes down, it affects a whole block of cars. She also wanted to know if the dumb meters will be replaced. Ms. Beeman confirmed that the plan replaces dumb meters with a newer version that is a better level of device. Ms. Gerth asked if that is that short-sighted, and said she's concerned that eventually people will expect to be able to pay with a credit card in downtown. Ms. Beeman explained that the dumb meters are being placed in the least active areas, and it's a phase-in. She noted that as the city proceeds and hears from community, there's always the ability to go back. She said the dumb meters are pretty cheap, and are being purchased at a better rate than when the current crop was purchased in 1990. Mr. Geurs added that the smart meters cost about \$85,000, while the dumb meters are about \$110. He suggested thinking of this as the start of something that can be revisited. He also reminded members that rates and times are the result of Council action and Mayor recommendations.

Mr. Unger asked for detail about the credit card charges. Mr. Geurs explained that it's about \$0.10 per transaction, with a vendor fee of \$660. He said the financing plan includes all this information and compensates in part by raising rates and increasing the length of time, so meters don't lose as much revenue. Ms. Beeman explained that with a credit card, people have a tendency is to do the maximum amount of time allowed, because you can if you're not constrained by what change you have and then you don't have to worry.

Ms. Hine asked about the time periods. Ms. Beeman explained that meters will be 2 hours, with improved clarity and positioning of signs. She said all stakeholders in the group wanted 2 hours. She said the plan will also review parking spaces that could be used better, as this was also a concern of the stakeholder group.

Mr. Dorer described an experience using meters in Minneapolis and asked for clarity about the pricing scheme. Ms. Beeman explained that it's a similar strategy. Outlying areas have lower value, and tighter areas with more demand cost more. She confirmed that the plan only calls for a \$0.25 increase for all meters.

Mr. Dorer said that Minneapolis has some individual space meters that accept credit cards, and asked why these were not recommended. Ms. Beeman explained that the city tried some, and still has some test meters by City Hall. She said there were some issues during testing, and Public Works thinks the Cale (multispace) is the better choice overall. Mr. Dorer asked about price difference. Ms. Beeman said that the costs are pretty similar, but the single space meters have higher transaction fees, which was a concern.

Ms. McMahon said she used the ones in Minneapolis and thought they worked very well. She asked if Saint Paul had communicated with Minneapolis. Ms. Beeman explained that Saint Paul has been involved through the selection, testing, and initial installation. Ms. McMahon asked if Minneapolis is still happy with the meters, and Ms. Beeman confirmed that they are.

Ms. Urbaniak Lesch asked if there was any discussion about extending the meter time past 5PM, and said Minneapolis goes later. Mr. Geurs explained that there was a fair amount of discussion, and opinions depend on who you ask. He said the Mayor listened to various viewpoints and decided to go with the half-hour extension. Business groups expressed interest in not doing too much too quickly. The new technology will be there so changes can be made in the future.

Mr. Dorer asked about zones where drivers can sometimes park. Ms. Beeman said the plan is to look at each instance and make sure that space is better used for the left turn lane or through traffic during rush hour, as opposed to a parking space. She said that better signage will also help, because people sometimes get confused if the sign says no parking but the meter is still active.

Ms. Gerth asked if someone could get a ticket while walking to the pay station. Ms. Beeman said Saint Paul enforcement is not at that level and doesn't intend to be.

Ms. Hine asked if there is a ticket to put in the car. Ms. Beeman confirmed there is not, and noted that enforcement officers will have an electronic device.

Mr. Unger made a motion to support the proposal; Ms. Jessen seconded. Committee voted, all in favor.

Mr. Olson asked if the old meters would be sold. City staff agreed to follow up.

Public Works – Paul Kurtz

Planning and Economic Development – Anton Jerve

RES PH 11-1051: Amending the financing and spending plans in the Department of Planning and Economic Development budget in the amount of \$50,000 to accept a TIGER II planning grant for complete streets planning activities and appointing the Minnesota Department of Transportation to be fiscal agent.

Mr. Kurtz explained that this is a joint resolution among Public Works and PED. He explained that the city applied for a Tiger II grant of \$250,000 with the understanding that if it was awarded, Public Works would contribute a match of \$50,000. The grant was awarded, so now they city needs to identify the match. He explained that the dollars are coming from the Ruth Street Bike Lanes project, where the project was partially done and then staff realized that the street needed to be reconstructed. The project did paint and minimal signage to get by for a couple years until the full reconstruction occurs in 2012, so there is \$95,000 remaining in the project. This proposal uses \$50,000 to fund the complete streets study that will be part of the Tiger II grant project. Mr. Kurtz said Public Works thinks this is a good fit because it deals with all modes of transportation. He added that Public Works is going to do the Ruth Street project in 2012 and bike lanes will be put in properly as part of that reconstruction.

Mr. Jerve explained that the Tiger II planning grant has 3 components:

1. Citywide assessment of infrastructure and the current street design process.
2. Create a street design manual. Mr. Jerve described this as including many types of design features and selecting best practices. The manual would be a way to look at design elements and rate them according to different types of users. This is where the \$50,000 match will be used – the grant doesn't allow match of staff time or in-kind matches, so the City will do an RFP to hire a consultant.

3. Create an action plan – a prioritized list of projects. Ideally, the City could do several of the highest ranking projects at a planning level and see how manual works, and then use those experiences to make any changes before officially adopting the manual.

Mr. Dorer asked who would be developing the conceptual work of what is a good street, and asked if it would be an open process. Mr. Jerve said that the consultant would bring some expertise, and the process would also include safety considerations like Police and Fire, and Public Works would be involved. He said the exact process hasn't yet been determined, but it will definitely include a way to get input from planning councils and district councils. He explained that they were waiting to officially get the funding before kicking into high gear. He noted that there would also be a website. Mr. Dorer asked to ensure that there would be some citizen input, and cited an example from Dayton's Bluff. Mr. Jerve said that other cities have had some head-butting on this topic, and that departments in Saint Paul typically work together pretty well but will probably have some back and forth. He said that Saint Paul's plan will be unique among cities due to snow storage, and how we deal with that will be cutting edge.

Ms. Gerth expressed support for this project, and said the manual would be helpful to members of the Streets and Utilities Task Force and the CIB Committee in general as they make decisions about what to spend money on.

Ms. Hine asked for clarification on the various parts of the project. She asked if the manual would set up standards, and who would use this manual. Mr. Jerve explained that the manual would include information like, "these users are vying for space, here's what options are for design." He said that ideally citizens could use the manual as well as city departments, and it could help level the playing field to have the same reference point. He said New York has a street design manual that can be found on Google. Ms. Hine asked for clarification on the action plan. Mr. Jerve explained that it would be a list of projects and the money would cover some planning. He said they may try to get funding for some pilot projects to actually do the work.

Ms. Bryand suggested not designing streets and bike lanes like First Avenue in downtown Minneapolis.

Ms. Gerth moved to approve; Ms. McMahon seconded. Committee voted, all in favor.

Ms. Hine asked where the other \$45,000 from the Ruth Streets Bike Lane project is going. Mr. Kurtz said he would be back at a later CIB meeting to discuss it.

Ms. Urbaniak Lesch passed around a thank you card for Panera for the donation for the task force appreciation celebration.

6. Mayor's Proposed 2012 – 2013 Capital Improvement Budget

Mr. McCarthy provided an update on the Mayor's proposed budget. He directed Committee members to the table in the meeting packet, and said he would walk through areas where mayor's proposal differs from CIB recommendation. He said on the surface it might look like a lot, but it's actually pretty close and there is some nuance to be considered.

Community Facilities:

- Annual programs were cut by 10% across the board. Mr. McCarthy noted that this was something the Committee considered doing, since there is less money this year. The

Mayor also restored funding for the asphalt restoration program. Mr. McCarthy noted that Parks just put in big order to spend reserve money in this annual program, and has done lots of work on it over the last couple months.

- CIB contingency was reduced pretty significantly. Mr. McCarthy noted that the administration has been strict about letting departments use contingency funds, so there were some prior year balances that were rolled forward. Overall, it's about the same dollar amount. Mr. Pinto asked if the CIB Committee knew about the balance in contingency funds during the process. Mr. McCarthy said information wasn't really available at the time, but it's a good point and should be updated earlier in the process.
- Indian Mounds Regional Park – city contribution is reduced, because Parks just got notification that they will receive some Legacy Fund dollars. It is still the same budget for the project overall.
- Cayuga Play Area – funding was shifted between years, same dollar amount.
- Parque Castillo – CIB recommended using CDBG, but since there is less block grant revenue this year it was especially challenging. Parque Castillo is not in the Mayor's proposed budget. Parks would like to work on a plan that includes the fields (El Rio Vista) and do site-wide project. Mr. Unger asked for clarification about how much CDBG was reduced. Mr. McCarthy explained it was reduced by about 20% and by about 50% from where it was a few years back.
- Mr. Dorer asked if the fiber optics project just includes the police station. Mr. McCarthy confirmed this, and said that Parks will find the money for their portion in Payne-Maryland budget. Police will use some one-time money to fund their portion.
- Sun Ray and Highland Branch Libraries – the Mayor restored funding to Library projects as originally requested.
- Trillium shifts between years. No change to overall budget.
- Frogtown Farm and Gardens and the Animal Control Center Study are very preliminary in nature with no ownership of site. Since there is no physical improvement and no ownership, they can't be funded with CIB bond proceeds. The Deputy Mayor went to the public hearing and was impressed with the level of community support for the Frogtown Farm project, and is currently working with the proposers and departments on alternatives means of supporting the project.

Mr. Pinto asked about RED money where people could get planning funds in the past, and recalled that the Smith project had been able to use some of these funds in the last cycle. Mr. McCarthy said that project is really similar to the Frogtown Farm project, and there is a draft plan on city's website. Mr. Pinto noted that this is a couple cycles in a row where projects have gone all the way through and then find out at the end they actually can't do it

Mr. McCarthy said the City Attorney's Office has been involved in some recent discussions. Mr. Geurs explained that there are strict rules about having control, and the process is being revised for the next cycle in a way so that he will provide an opinion on eligibility before final recommendations are made so that can be taken into account. Mr. McCarthy noted that staff used to pull ineligible those projects out before process. During the last cycle, proposers were not happy about being ineligible no matter when they find out. Mr. Pinto suggested putting that information in the instructions. Committee discussed when Mr. Geurs should give opinion on eligibility.

Ms. Hine asked about the status of the animal control study, and suggested adding a question about whether or not it's a planning only project on the application, as people may not read instructions.

Mr. Unger cited the example of the Western District police station, and suggested that the CIB committee should honor the rule about requiring site control.

Streets and Utilities:

- Wheelock Bridge is shift between years, no change to overall budget.
- Snelling Green Streets – Public Works said a MNDot study will be coming up soon, so it doesn't make sense to do this project now. This was a community submission. Ms. Urbaniak Lesch asked why Public Works didn't know this ahead of time. Mr. McCarthy suggested asking Mr. Kurtz about this at the October meeting. Mr. Dorer asked about rebuilding Snelling. Mr. McCarthy agreed to follow up with Mr. Kurtz.
- Ruth Street reconstruction – some components were slimmed down, but will still do full street reconstruction. Mr. Kurtz could provide more information. This freed up some funding.
- Marshall Avenue Green Streets – Mr. McCarthy reminded the Committee that they allocated some money leftover at the end, and Public Works said there is very little they could actually do with that amount of funding.
- Funding from reduced/eliminated projects was pulled together and put into the 4th Street Reconstruction Project. This project is related to CCLRT and is a high priority for Public Works.

Residential and Economic Development:

- Across the board reductions. Reduced all projects to historical proportions of total spending, which left room for all PED projects, the Frogtown Flexible Fund, and vacant building demolition. Mr. McCarthy said the result is pretty closely in line with what organizations have gotten in the past for RED funding.

Committee discussed the Frogtown Flexible Fund and why it was pushed up. Committee also discussed why funding for the West Side Building Improvement Fund was eliminated. For the Frogtown Flexible Fund, it was next on the list. For the West Side Building Improvement Fund, it was the first time it's gone through the process, while other programs have track records. Also, city staff said that other community development corporations (CDCs) have had difficulty spending money on these types of programs, while there is a citywide program that does this type of work in this area. Also, the organization has had lots of staff turnover, so city staff were not positive about staff capacity now.

Mr. McCarthy said that departments are happy with where things ended up.

Mr. Dorer asked how much vacant building demolitions got in the last cycle. Mr. McCarthy said it was more, and agreed to follow up with more detail. Ms. Hine noted it is the second time the Committee has recommended no funding for demolitions and they still get funding.

7. 2012 – 2013 Capital Maintenance Program

- A. Review program guidelines
- B. Request for sub-committee members
- C. Tentative sub-committee meeting schedule

Mr. McCarthy introduced the Capital Maintenance Program, and explained that it's like a mini CIB process for smaller maintenance projects like roof repairs, windows, etc. A subcommittee

made up of 3 CIB Committee members and representatives from Real Estate, PED, and OFS review the proposals and make recommendations. The subcommittee has 3 meetings in addition to regular CIB meetings. Mr. McCarthy said that the subcommittee doesn't need to be identified today, but needs to be set by the next meeting. He directed members to the tentative calendar in meeting packet, and explained that the subcommittee will do either 1 meeting in November and 2 in December, or vice versa depending on what works better for schedules.

Mr. McCarthy said the action needed at the September meeting is approving guidelines or make suggestions to change the guidelines, because they will need to be sent out to city departments by the end of the week.

Mr. Olson said that they haven't changed really at all, and suggested recommending as-is.

Mr. McCarthy raised the point that the guidelines say eligible projects must not be in jeopardy of closing in the next 5 years. Mr. Unger brought up the Police Annex, and said that a building should never get to that degree of destruction. He also said that there's a debate about what it's going to be.

Mr. Geurs explained that the city is working on an assessment of all city properties this fall. Staff will be working with directors of departments to see if all assets are needed, etc. Assets that are not needed will be sold. Hopefully departments can find some options and support for collocating.

Mr. Unger said that it's easy to build new buildings, but it takes responsibility to take care of what you've got.

Mr. Dorer asked if the sale of assets would yield funds. Mr. Geurs said it would be best not to assume that, and said that many of the assets that might be sold off are more knockdown properties.

Ms. Hine asked if fire stations would be included in the assessment. Mr. Geurs said yes, that all departments will be participating. Ms. Hine asked if the community would be involved, like with RFPs for purchasing. Mr. Geurs said that the first step is assessing facilities to see if we have extra assets. He said that part of the assessment will be looking at buildings that could work for multiple departments and get rid of some overlap.

Ms. Jessen moved to approve; Ms. Bryand seconded. Committee voted, all in favor.

Ms. Urbaniak Lesch said that Committee members should let her know if they are interested in being on the subcommittee, and reminded Committee members that it will involve three 2-hour meetings during the day. Committee discussed who served on the Capital Maintenance Subcommittee previously.

8. Adjourn

Ms. Gerth moved to adjourn; Mr. Olson seconded. Committee voted, all in favor.

Meeting adjourned at 4:50PM.